



**Health Services**  
LOS ANGELES COUNTY

December 31, 2009

**Los Angeles County  
Board of Supervisors**

**Gloria Molina**  
First District

**Mark Ridley-Thomas**  
Second District

**Zev Yaroslavsky**  
Third District

**Don Knabe**  
Fourth District

**Michael D. Antonovich**  
Fifth District

**John F. Schunhoff, Ph.D.**  
Interim Director

**Robert G. Splawn, M.D.**  
Interim Chief Medical Officer

313 N. Figueroa Street, Suite 912  
Los Angeles, CA 90012

Tel: (213) 240-8101  
Fax: (213) 481-0503

[www.dhs.lacounty.gov](http://www.dhs.lacounty.gov)

*To improve health  
through leadership,  
service and education.*



[www.dhs.lacounty.gov](http://www.dhs.lacounty.gov)

TO: Each Supervisor

FROM: John Schunhoff, Ph.D.  
Interim Director

SUBJECT: **ADVANCE NOTIFICATION OF SOLE SOURCE  
NEGOTIATIONS WITH ATLAS GUARDIAN CORPORATION**

This is to advise you that the Department of Health Services (DHS) intends to enter into sole source negotiations with Atlas Development Corporation for the purchase of Infection Control software for the four hospitals. Board policy requires written notice of a department's intent to enter into sole source negotiations for agreements over \$250,000.

The current practice for management of hospital infections involves manual extraction of data from various data sources. Healthcare provider access to this information is limited and delayed, hindering appropriate treatment and prevention practices. Costs related to hospital acquired infectious diseases are expected to rise as a result of new CDPH fines and the discontinuation of CMS reimbursement related to selected healthcare associated infections. The Atlas Guardian Suite automates the identification and notification of infectious organisms to facility staff as well as regulatory agencies, thereby potentially avoiding the associated costs of hospital acquired infections.

Although there are other possible vendors that provide infection control software options, a core element of the Atlas product was developed, owned, and is currently used by, Los Angeles County Department of Public Health for communicable disease reporting to the State. This vendor has already established interfaces with the Affinity IT system which can be expanded for use in the hospital setting. The vendor has agreed to extend the source code to DHS for the Public Health owned component. Additionally, the County ownership of the Public Health component will avoid charges for the license, user or maintenance fees related to this portion of the application.

On December 15, 2009, DHS received formal notification from the Los Angeles County Quality and Productivity Commission, that a loan was approved in the amount of \$642,000, to cover initial purchase and implementation costs. Ongoing hosting, maintenance, and user fees are expected to run approximately \$130,000 per year for the four hospitals.

DHS will proceed with the sole source negotiations with Atlas Guardian unless our office is instructed otherwise by your Board, within two weeks from the date of this notice.

If you have questions or need additional information, please let me know, or your staff may contact Kim McKenzie, Director Quality Improvement & Patient Safety.

JFS:la

c: Chief Executive Officer  
Acting County Counsel  
Executive Officer, Board of Supervisors